

NSC BRIEFING

1 September 1954

THE DISSOLUTION OF THE GUATEMALAN JUNTA

Colonel Elfego Monzon and Major Enrique Oliva, two of the three members of the Guatemalan ruling junta resigned on 1 September, and Colonel Castillo Armas formed a new government under his sole leadership. This was ~~probably~~ the result of extreme pressure <sup>including that</sup> on Castillo by members of his own liberation movement; <sup>all done with the knowledge and encouragement of</sup> ~~and with an assistance by~~ <sup>Dr. Peurifoy.</sup>

<sup>liberation leaders</sup> Juan Cordova Cerna, one of the most influential of these, had told Ambassador Peurifoy on 26 August that he had received promises of support from key officers of Castillo's "liberation army" and planned to force Castillo to <sup>reorganize the junta</sup> ~~assume sole power~~ or be ousted himself. Cordova Cerna viewed Colonel Monzon as a "stooge" of former president Arbenz, and suspected the regular army of plotting a coup in the near future.

On the basis of information now available, two courses of subsequent development seem possible. Open conflict between the regular army and liberation elements is one of these possibilities. However, the army's potential for unified action has been diminished by Castillo's policy of purging disloyal elements, of reassigning loyal officers, of placing members of his liberation army in key army positions and of integrating liberation troops into regular army units.

The other, and more probable, line of development is the <sup>which he has agreed upon,</sup> ostensibly peaceful departure of Monzon from the scene, leaving Castillo in a stronger position than previously. Even under

these conditions, however, there will be an increase in the underlying dissatisfaction among members of the regular professional army, ~~[who in a military sense defeated elements of the liberation forces during the 2-3 August fighting.]~~ The army continues to resent the liberation irregulars and the privileges accorded them. The army in turn is distrusted by many of Castillo's supporters for having failed to oppose the former pro-Communist regime.

There appears no possibility of the resurgence of Communist leadership at this time. Both the regular army and the liberation forces are anti-Communist, Top Communist organizers, such as Fortuny, Gutierrez, and Pellecer, are in asylum in foreign embassies, less important ones are in hiding; none is known to have an organized band of followers prepared for militant action.